

Message Text

LIMITED OFFICIAL USE

PAGE 01 LIMA 05099 092234Z
ACTION ARA-14

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 ABF-01 NSC-05 SS-15
STR-07 CEA-01 AGRE-00 DOE-15 SOE-02 PA-01 /112 W
-----011590 092241Z /73

P 092213Z JUN 78
FM AMEMBASSY LIMA
TO SECSTATE WASHDC PRIORITY 418

LIMITED OFFICIAL USE LIMA 5099

E.O. 11652: N/A
TAGS: EFIN EGEN PE
SUBJ: RECENT DEVELOPMENTS ON PERUVIAN ECONOMIC SCENE

REF: LIMA 4816

1. SUMMARY: WEEK ENDING JUNE 9 WAS MARKED BY NAMING OF NEW VICE MINISTER OF ECONOMY AND FINANCE, TWO KEY DIRECTORS GENERAL, ENCOURAGING REMARKS ON ECONOMIC CRISIS BY PERUVIAN AMBASSADOR TO U.S., CONTINUATION OF MINI-DEVALUATIONS (FROM 151/\$ TO 152/\$) AND A FIRING UP OF THE CERTIFICATE MARKET IN THE 195/\$ RANGE. MINISTER OF ECONOMY AND FINANCE WILL ADDRESS NATION ON TV EARLY NEXT WEEK. END SUMMARY.

2. NEW APPOINTMENTS AT ECONOMY AND FINANCE - THE JUNE 9 EL PERUANO CARRIED THE OFFICIAL ANNOUNCEMENT OF THE APPOINTMENTS OF THE NEW VICE MINISTER OF ECONOMY AND FINANCE AND THE DIRECTORS GENERAL OF TAXATION AND THE BUDGET. THE NEW VICE-MINISTER (DIRECTOR SUPERIOR) IS DR. JUAN ROUILLON ARROSPIDE, REPLACING DICK ALCANTARA. THE NEW DIRECTOR GENERAL OF TAXATION (CONTRIBUCIONES) IS DR. FERNANDO DE LA ROSA VILLEGAS. HE REPLACES
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LIMA 05099 092234Z

COL. JORGE DIAZ MOSTO. THE NEW DIRECTOR GENERAL OF THE BUDGET (PRESUPUESTO PUBLICO) IS DR. RUDOLFO ABRAM CAVALERINO, REPLACING GENERAL CARLOS GAMARRA, WHO HAS BECOME SECRETARY GENERAL OF THE OFFICE OF THE PRIME MINISTER. ACCORDING TO A WELL-INFORMED EMBASSY SOURCE ROUILLON IS A TAX LAWYER WHO WORKED FOR 10-15 YEARS IN VARIOUS ECONOMY AND FINANCE MINISTRY

POSITIONS RELATED TO TAX MATTERS. HE LEFT THE MINISTRY ABOUT 4 YEARS AGO, APPARENTLY BECAUSE OF LOW SALARY, AND FORMED A TAX CONSULTANT FIRM WITH DE LA ROSA, WHO IS ALSO A TAX LAWYER. BOTH MEN ARE CONSIDERED HONEST AND GOOD ADMINISTRATORS AND ROUILLON'S EXPERIENCE AND KNOWLEDGE OF THE INTERNAL OPERATIONS OF THE MINISTRY ARE EXPECTED TO BE HELPFUL IN CARRYING OUT GENERAL HOUSECLEANING THERE. HOWEVER, NEITHER ROUILLON NOR DE LA ROSA IS KNOWN FOR IMAGINATIVE THINKING IN THE AREA OF ECONOMIC POLICY.

3. GARCIA BEDOYA STATEMENT. PERU'S AMBASSADOR TO THE US, CARLOS GARCIA BEDOYA, UPON ARRIVAL IN LIMA JUNE 8 FOR CONSULTATIONS, MADE A STATEMENT TO THE PRESS IN WHICH HE CLAIMED THAT INTERNATIONAL FINANCIAL INSTITUTIONS SUPPORT PERU IN THE EFFORTS IT IS CARRYING OUT TO OVERCOME THE ECONOMIC CRISIS. HE WENT ON TO SAY THAT THE UNITED STATES UNDERSTANDS PERU'S EFFORTS, AND THAT THE VISIT TO WASHINGTON BY THE DE LA PUENTE MISSION HAD BEEN "POSITIVE." HE ADDED THAT FOREIGN PRIVATE BANKS ALSO APPROVE OF MEASURES BEING TAKEN TO SOLVE PERUVIAN ECONOMIC PROBLEMS.

4. EXCHANGE RATE MOVEMENT. DURING THE WEEK JUNE 2-8 THE "OFFICIAL" EXCHANGE RATE INCHED SLOWLY FROM LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LIMA 05099 092234Z

151.64/\$ TO 152.30/\$ WHILE THE CERTIFICATE RATE REMAINED RELATIVELY STABLE IN THE 195/\$ RANGE.

5. IT WAS ALSO ANNOUNCED THAT THE MINISTER OF ECONOMY AND FINANCE, DR. JAVIER SILVA RUETE, WILL MAKE AN IMPORTANT ECONOMIC POLICY SPEECH "IN THE NEAR FUTURE." (WE UNDERSTAND THAT THE SPEECH WILL PROBABLY BE GIVEN EARLY NEXT WEEK, PERHAPS JUNE 12 OR 13.) SHLAUDEMAN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC CONDITIONS, ECONOMIC RECOVERY, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 09 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LIMA05099
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780242-0505
Format: TEL
From: LIMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780677/aaaacocet.tel
Line Count: 103
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 40e0428c-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 LIMA 4816
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2418993
Secure: OPEN
Status: NATIVE
Subject: RECENT DEVELOPMENTS ON PERUVIAN ECONOMIC SCENE
TAGS: EFIN, EGEN, PE
To: STATE
Type: TE
vdkgvkey: odbc://SAS/SAS.dbo.SAS_Docs/40e0428c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014